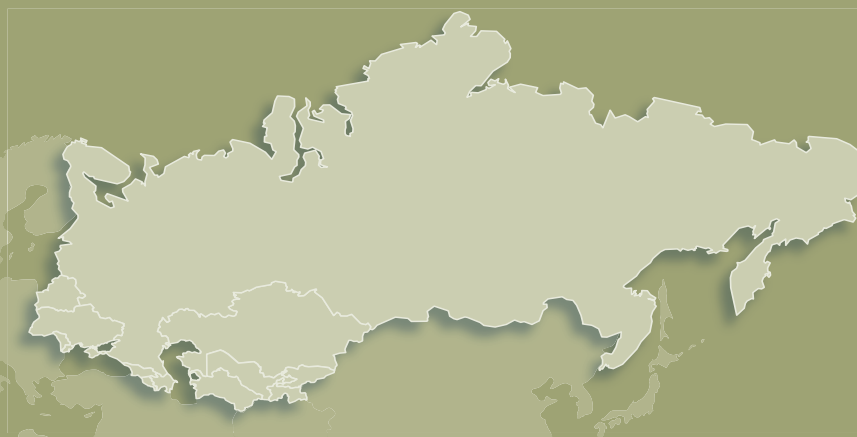


INVESTING IN PEOPLE

*Training for Free-Market Economies
and Democracies in Eurasia*




Academy for Educational Development

JUST OVER TEN YEARS AGO, the Soviet flag was lowered from the Kremlin for the last time, and 15 independent countries replaced the Soviet Union. The initial euphoria of the early 1990s slipped into cynicism a few years later, as the path to market reform and democratic development proved more difficult than first thought.

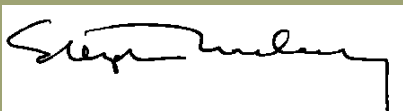
The Academy for Educational Development has been actively involved in this critical region of the world since 1991 and has weathered both the ups and downs of its progress toward economic, political and social reform. In assessing our accomplishments and experience over the past decade, AED staff exchanged ideas on what organizations committed to social change, like ours, can realistically do to support reform in Eurasia. This report reflects the conclusions we have drawn from our USAID-funded training activities, most recently the Global Training for Development (GTD) project, which we will continue under the Strategic Technical Assistance for Results with Training (START) contract.

GTD placed strong emphasis on integrating training into other development activities and on training for results. GTD project staff helped USAID conduct needs assessments, develop training plans, and strengthen their monitoring and evaluation systems; and implement short- and long-term training in the variety of areas highlighted in this report, including:

- economic growth,
- health and population,
- the environment,
- agriculture,
- democracy and governance,
- education,
- private enterprise development, and
- management and public administration.

START expands the portfolio of services provided under GTD to include development of local institutional capacity, conflict prevention and mitigation, and distance learning.

This report is meant to share ideas and contribute to the dialogue begun in commemoration of the tenth anniversary of the fall of the Soviet Union and which will continue as we continue to work together to bring peace and prosperity to this culturally rich, and economically important, region of the world.



Stephen F. Moseley
President and Chief Executive Officer
Academy for Educational Development

April 2002

All of us are shocked and resented [sic] about what happened in New York and Washington. We share your distress and indignation. Yesterday we met with students from U.S.A. who study in Kazan State University ... we wanted to support them and show them that they are amid friends.

**Evgeni Kniazev, Vice-Rector of International Relations,
Kazan State University, Russia, September 13, 2001**

When the Berlin Wall fell a little over ten years ago, this expression of support between Russia and the United States would have been unthinkable. That an AED staff member could receive such a message in the wake of the devastating attack on the World Trade Center and Pentagon demonstrates the power and lasting effect of the personal interaction that has taken place over the last ten years between the United States and the countries of Eurasia.

The countries in the region have each embarked on their own, sometimes troubled and universally difficult, journeys since 1991. The Academy for Educational Development (AED) has been a part of that process through its work in participant training funded under the auspices of the U.S. Agency for International Development (USAID). As others have done, AED paused at the tenth anniversary of the collapse of the Soviet Union to reflect on what has been accomplished and what guidance our experiences, both rewarding and frustrating, can offer for future efforts to assist with the establishment of prosperous nations rooted in democratic principles throughout Eurasia.

This brochure tells the stories of some of the people who were involved in AED programs to illustrate the transformation that is going on in that part of the world. Interspersed with their stories are some thoughts from AED staff who have worked with citizens of these countries as they have expanded their knowledge of subject areas ranging from environment to health care to banking to development of non-governmental organizations (NGOs). In addition to providing a snapshot of democratic reform in Eurasia at the dawn of the twenty-first century, this publication is designed to provoke discussion on the training as an essential tool for stimulating and supporting sustained change.

The training assistance that AED and many others have offered since 1991 is an investment in people, not governments.

We build our work on the premise that people are the ultimate vehicle of reform; empowering local agents of change is the most beneficial contribution that foreign assistance can make.

Early efforts to assist the people of Eurasia to establish democratic societies stalled because of the mistaken assumption that Western models could simply be transplanted into different cultures. The next phase of conventional wisdom was that meaningful change would take generations. In the course of its work, AED has become convinced, however, that true reform results when local leaders are given the opportunity to adapt general tools and approaches to their own situations.

For example, Tahir Muradov, a village teacher from Azerbaijan, participated in the Community Mobilization and Leadership Program that included training at the University of Massachusetts. Building on exposure to a variety of grassroots organizing techniques, he managed to secure funding to develop community-based management committees to address the socio-economic problems of Internally Displaced Persons (IDPs). These teams are now active in 28 IDP communities in seven regions of Azerbaijan. Concrete improvements of quality of life include a water supply system, a vegetable canning operation, electricity for an entire village, a new secondary school, and enhanced honey production capacity. As important, Tahir now can pursue his preference “to find ways of constant provision, rather than receive temporary supply,” demonstrating his realization that people can solve problems themselves rather than waiting for the government to provide piecemeal support.



Identifying, and interacting with, emerging leaders is critical for instilling a commitment to reform.

Dr. Trolebai Rakhipbekov, a physician and former member of Parliament, is currently Chairman of the State Public Health Committee and senior adviser to the Prime Minister of Kazakhstan for health care policy. He first visited the U.S. in 1995, and since then he has taken part in hospital management and health finance programs both in the U.S. and Kazakhstan. Using knowledge gained during these seminars, he introduced an experimental mandatory health insurance program in the Zheskazgan region that was subsequently implemented on a national scale and which received high praise from a panel of independent international reviewers.

Trolebai shares the Kazakh experience in health care reform with colleagues from Central and Eastern Europe. “I felt very comfortable being with my colleagues [in international settings] as I realized that my knowledge was up to international standards in the field of public health reforms. I attribute this to the trips where I had an opportunity to talk with my western colleagues.”

Through our assistance to the countries of Eurasia we are also helping to meet our own needs.

At the outset of any reflection on foreign assistance it is important to realize that the interests we are ultimately serving are our own. Providing models for bank reform may, at some point, facilitate a joint venture with a U.S. company. For example, making it possible for people such as the Acting Director of the Association of Banks of the Kyrgyz Republic to take part in banking seminars is a sound investment given the potential for profitable business partnerships with Kyrgyzstan. These training programs, involving at least 32 senior bankers, resulted in more than a general increased awareness of, and appreciation for, the concept of risk management. They led to database modernization at a leading Kyrgyz bank, permitting better communication in the bank and ultimately better client service, including for Americans interested in doing investment in Kyrgyzstan.





Participant training should prepare people to work in their communities and organizations to implement political and economic changes required to solve critical problems and provide for growing needs.

5

The collapse of the Soviet Union deeply undermined the government-run health care system. In response, some countries are moving toward establishing health insurance programs. Increasing emphasis on preventive and primary care is another development aimed at forestalling expensive medical problems for which the system is ill-equipped to cope.

Implementing these fundamental shifts in both structure and attitudes is not easy, but Olexander Mostipan, one of Ukraine's pioneers in this field, opened the first private family health care clinic in 1989. Olexander traveled to Budapest for a seminar on reforms in health care delivery and financing, which allowed him to exchange experiences and lessons learned with other colleagues from Eastern and Central Europe. Based on this intensive interactive dialogue with both the trainers and other participants, he and a colleague then expanded their efforts by founding the MEDMA Group, a private health care consulting company to help other doctors and clinics implement health care reforms by concentrating on primary care and cost-containment in providing the highest quality care possible.

"Never doubt that a small group of dedicated individuals can change the world...indeed, it's the only thing that ever has."

Margaret Mead

AED's approach to training is premised on the conviction that it is possible to shift an entire system of government by empowering individuals, a process which is by definition incremental and virtually invisible in the short term. As a result, we grapple with meaningful ways of defining success when working in a complex region comprised of 12 countries stretching from Europe to the Pacific.

We are confident the training we provide individuals and groups, results in positive changes in communities, countries and regions. For example, a small group of Armenians writes a new civic education curriculum based on their training, and within four years it is adopted nationwide. Part act of faith and the drive to help others, part pragmatic act in our national interest, the value of these kinds of activities cannot be derived from a simple cost/benefit or cause and effect analysis. But the accounts of individuals who have made positive contributions to their communities from what they have learned through training are numerous, and the ongoing effects are felt well into the future as those trained convey their experience to others, and the improvements they are able to make serve as positive examples.

Olexander realizes that changes in attitudes toward how health care is provided will take time but he is convinced that eventually citizens will understand the value of sound public health and will hold their government accountable for providing it.

Likewise, in the area of business development throughout the region, the need for changes in attitude and practice has been recognized. For example, at one time the conventional wisdom in Armenia was that business people needed only financial capital to reopen their factories and begin production. Since 1991, AED has organized courses that have introduced fundamental concepts of sound business practice, such as responsive customer service or developing products for which there will be a market, to 800 small businesses in 30 towns and villages. These, in turn, have prompted small businesses to create new fora for cooperation. In 2000, the first ever nationwide Conference and Exhibition for Small Business Men and Women of Armenia provided an important venue for interaction between government officials, business owners, and bankers, thereby laying the foundation for a coordinated effort to create an environment that promotes business development in the country.

NGOs are the main engine that can produce a “velvet revolution,” namely controlled evolution toward greater democratization.

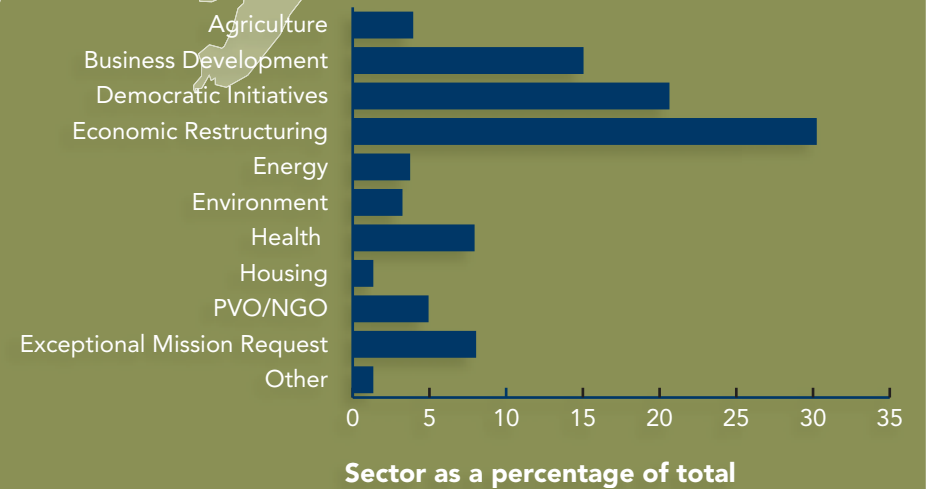
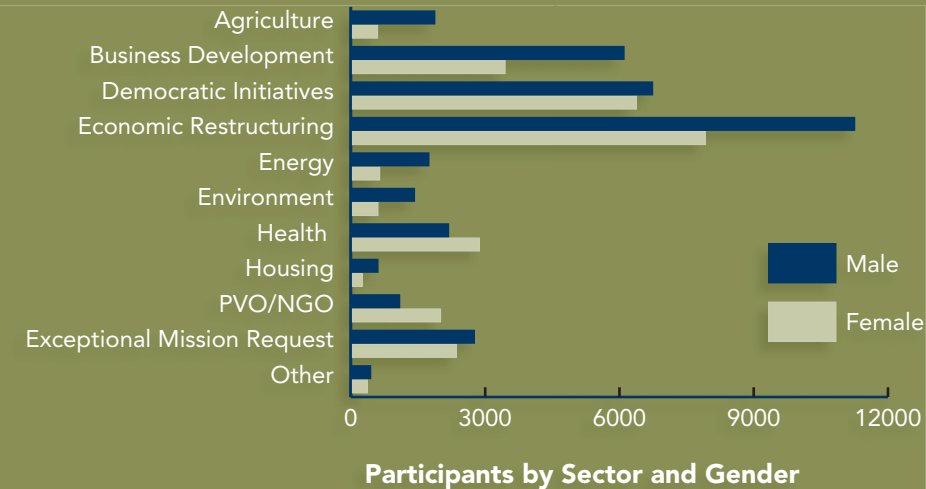
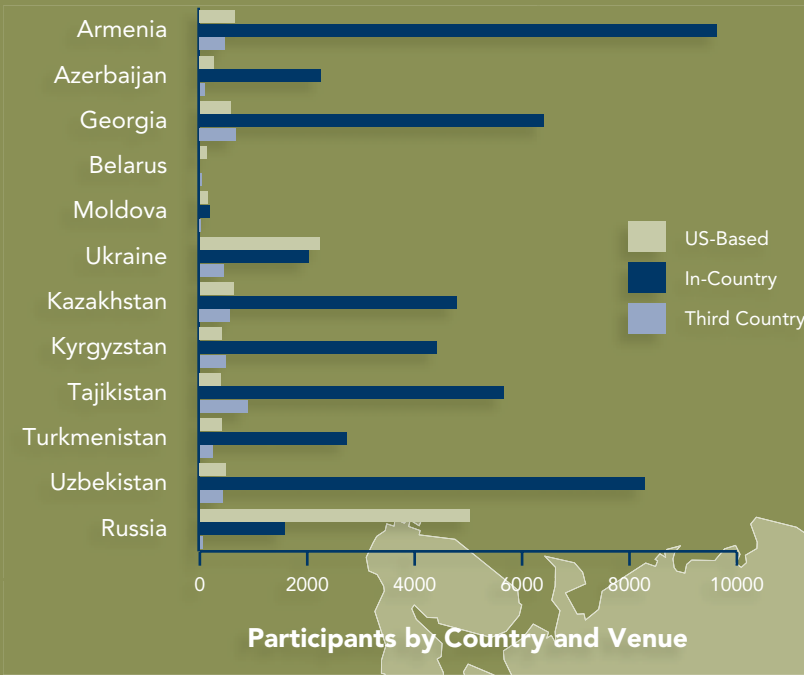
Larysa Konovchenko, the Director of the Donetsk Debate Center in Ukraine, participated in a U.S. training for NGO representatives working with youth initiatives. The group spent time in metropolitan Washington, D.C. observing the dynamics of the interaction between NGOs and government entities as well as learning about fundraising, volunteer involvement, and other aspects of NGO management. Based on what she learned, she was able to expand the Center’s programs to include conflict resolution, environmental awareness, and other topics critical to youth development and to emphasize a broader range of leadership development and civic activities.

Larysa is dedicated to fostering NGO vitality and financial independence. She sees the benefit of a strong “third sector” and notes that in Ukraine both the number and professionalism of NGOs has risen over the past few years. Interaction with Western colleagues is a critical factor in this development: “Excellent training programs have been made available, giving a perfect opportunity to exchange experiences with our Western colleagues which is of a special importance for us. And all this yields very good results.”



Trainees Served by Country

Number of Participants completing training October 1993 – April 2002



NOTE: In addition, AED has provided limited services to support the training of more than 17,000 trainees on a fee-for-service basis.



Above all, successful training inspires a new vision about what is possible.

In 1998 and 2000, AED organized conferences for women leaders from Armenia, Azerbaijan and Georgia centered on a theme such as “Conflict Resolution and Refugees / IDPs,” “The Increased Role of Women in Economic Life” or “Building for a Civic Society.” In most cases these fora provided participants with their only opportunity to gain a greater understanding of each others’ views, often through painful dialogue. Gulshan Pashayeva, chairperson of the Conflict Research Center in Azerbaijan, appreciated the opportunity “to see the other side’s situation with my own eyes. Communicating with Armenian women during these programs reduced suspicion between us.”

Breaking down barriers is more than a nice concept; the results can be dramatic. Participant Zaliha Tahirova, coordinator for the Human Rights Center of Azerbaijan, used her training and the network that resulted from the conferences to obtain the release of eight Azerbaijani prisoners-of-war captured during the conflict with Armenia. “We conducted discussions with a cooperating Armenian NGO,” she recalled proudly. “After long and intensive negotiations with Armenian judicial-defense structures and government representatives, eight Azerbaijani mothers were able to embrace their sons in their homes again.”

"[Ours] is the generation that has lost their parents, dealt with the horror of war in childhood, and faced the eyes of death. This is the generation that should correct the errors made by the elder generation, mistakes that directly influenced our youth."

**Shota Meladze,
a young Georgian
woman.**

Work with youth has been a major focus of much of AED's work throughout the world. In Eurasia, young people are often more able than their elders to envision a future of possibilities rather than dwell on a nostalgic past or on what appear to be impossible impediments to progress. In 1998, AED inaugurated a small pilot project of 20 Georgians and 20 Abkhazians who attended a summer camp in the United States where they participated in group activities to foster tolerance as well as develop practical skills such as English language proficiency, small business development, and computer skills. More than 500 young people now participate year-round in these activities at multiple sites in Georgia and the Abkhazian region. The program helps the young people see the possibility for a better life and change their behavior toward each other. By learning how to initiate change in their communities, the young people create networks of others who are also interested in conflict resolution.

As a result, young people from opposite sides of the conflict are starting to build a peaceful and more economically viable society. They are learning to get beyond the hatred that divided their parents. Nana Kurashvili, a resident of a shelter for internally displaced people has used her training to establish a weekend school for 40 displaced children, organize a group of young teachers, and set up dancing classes. Mukhran Papeva, with the help of fellow participants, established an NGO that assists displaced children and is pursuing a project on conflict prevention for school leaders to train young people from 15 schools.





The most effective training does not preach about democratic values, but rather demonstrates them.

12

Transparency in business dealings, wide-spread civil participation, and the rule of law are all hallmarks of a strong democratic society. AED strives to demonstrate these concepts in its training. For instance, technical training in accounting principles carries with it the assumption that books will be audited and the results published for the public to scrutinize, thereby raising investor confidence. AED used this approach in Kyrgyzstan, which has a sound financial infrastructure that is able to provide investment funds for small- and medium-sized enterprises. After a training program sponsored by USAID and the Turkish government, Svetlana Ni, the commissioner of the National Securities Commission, devised a strategy to educate young people about investments and train investment professionals. She drafted legislation pertaining to monitoring investment fund activities that has been enacted. For the first time, non-bank financial institutions are financially accountable to investors, and the entire financial sector is stronger as a result.

After a course in the United States on consumer price indices, Galina Golub, responsible for analyzing inflation rates and monetary policy for Uzbekistan's Ministry of Macroeconomics and Statistics, designed workshops to educate economists and data gatherers in all 14 regions of the country. Statistical data gathering processes are being brought into compliance with national standards and will provide a clearer picture of investment opportunities in the country.

The success of any long-term effort to achieve a transition to democratic market-oriented systems depends on the creation of solid institutions and stable structures in both the public and private sector to meet citizen needs.

In the area of health care, participants are bringing their newly gained knowledge of different approaches that are used elsewhere to meet the needs of their country.

Serikbol Musinov, a senior policy maker at the National Agency for Public Health in Astana, Kazakhstan, took part in AED-run seminars and study tours, both in the U.S and in Kyrgyzstan, that focused on issues such as health insurance and how to improve the quality of medical insurance. Inspired by what he observed, he is now trying to adapt the U.S. health insurance system to his own country. “We are in the process of drafting a new law on health insurance for our republic which will take into account both economics and the needs of individuals,” he said. “The U.S. experience on establishing the insurance system is very important here.” A particular priority, he said, is to find ways to coordinate activities of the Ministry of Health with those of other governmental agencies.

Departing from the Soviet structure of centralized health care, Sultan Seidumanov co-founded in 1997 the National Healthy Lifestyle Center in Kazakhstan to coordinate activities of governmental and non-governmental agencies to create a healthy environment in a given city. To further this mission, Sultan took part in workshops in Illinois and Iowa with follow-up sessions in Hungary, a country which has been working to implement the “Healthy City” model for the past 10 years, and also in Kazakhstan. “During the trip we saw in detail how our Hungarian colleagues ran the program and with whom they cooperated,” he said. “Now five cities in Kazakhstan are involved in the program and other countries are interested in our experience.”

With large numbers of retirees dependent on payments from a broken system, the countries of Eurasia recognize the need to restructuring their pension systems and are developing solutions informed by their exposure to public and private sector models in the U.S., Europe and Latin America.

"After all, future pensioners' interests are a matter of both government and individual concern. And today Ukraine is trying to turn its face to pensioners who seemed be totally forgotten in recent years."

Vyacheslav Kopeikin

Vyacheslav Kopeikin is the chief executive of the first private pension fund in Ukraine, which was set up by a coalition of trade unions, commercial banks, an insurance company and a law firm, to protect pensioners' rights and accumulate savings in a way that would complement the state-sponsored system. Vyacheslav learned about pension funds on a trip to the U.S., where he studied funds serving faculty members at the University of Maryland and municipal employees in Arlington, Virginia. He was struck by the extent to which prospective pensioners retain control of how their money is invested, "an invaluable lesson for Ukraine" in his opinion.

Confidence in institutions has increased dramatically in the last decade. Vyacheslav recalls that when Dobrobut, a private pension fund, was started it was considered "a very bizarre idea" but today both the media and government officials accept it. The next step is to create the solid legal basis for pensions and to continue to educate government officials and so he and his colleague are pushing for passage of a law that would bring Ukraine's pension system in harmony with those of other European countries. "I am doing the sort of job which is wanted by, and useful for, the Ukrainian people," he said. "This really encourages me to work in this sphere."

Based on our work in Eurasia and considering lessons from work throughout the world, AED offers the following areas of priority for helping the new nations become full partners in the world community of free nations:

NGO Development

The Soviet government was responsible for providing all services to meet all needs. That is no longer the case and there is a large gap between what the government can provide and the need. NGOs are the most effective way to address this gap. They provide vehicles for people to work toward change in small, but concrete, ways, giving them a sense of empowerment. NGOs provide a platform on which people can engage with their governments, and others in the international community, on an equal footing to work for change.

Health Reform

The collapse of the Soviet Union deeply undermined the health care delivery system. Further deterioration in environmental and lifestyle factors, combined with a steep reduction in the amount of resources governments have available to support the health care systems, have led to dramatic decreases in life expectancies and other health indicators. New ways to ensure adequate health care coverage and improved health care delivery are needed.

Proven Practices

AED believes the most effective training:

- Is designed for participants who are selected through a fair and transparent process to identify those most likely and in the best position to utilize their new knowledge and skills to implement intended changes;
- Reflects experience in the participants' home country and/or knowledge of the conditions and issues that the participants face on a daily basis;
- Provides transferable experience, skills and best practices while introducing participants to the range of possibilities;
- Uses models that are applicable to the country engaged in reform, with careful consideration given to in-country or regional models as they can often be more directly related to the trainees' context and environment;
- Is flexible and can be adjusted during program delivery to better meet participant needs.

AED is committed through the professional development of our staff and in the selection of training providers to ensuring our programs demonstrate these practices.

15

Anti-Corruption Efforts

Corruption undermines the best efforts of the best citizens for reform. Integrity of governmental institutions is critical to the development of a strong economy and the prosperity that flows from economic progress. Without faith in its societal structures, a country cannot inspire the confidence of its own people in the future or attract investors to provide financial support for progress.

Youth Development

The cycle of violence, cynicism, or hopelessness which characterizes many of the Eurasian countries can only be broken by showing the next generation that they have options and the power to correct the mistakes of their parents. It is critical to change attitudes while it is possible to tap into the energy and optimism of youth.

Proven Practices

AED has coordinated training for more than 50,000 individuals from Eurasia over the last ten years. We have identified the following points as hallmarks of successful training:

- Talk to trainees about what they need;
- Pay careful attention to needs assessments and expressed goals to tailor training to the participants' expectations;
- Focus training objectives to be achievable in the time allotted;
- Balance theory with practice for effective training;
- Tailor lecture topics, and arrange meetings according to the participants' interests; incorporate regular, structured sessions to elicit participants' feedback on the training;
- Plan a good progression of training activities which builds upon and reinforces each activity and ensures that information presented in lectures or site visits is not needlessly repeated;
- Incorporate intensive, hands-on activities such as job-shadowing, role playing, and interactive seminars; facilitate the establishment of meaningful professional contacts;
- Provide relevant background information on the systems/ processes/institutions of other countries in transition, so participants can understand their evolution and incorporate appropriate aspects to their own reform efforts;
- Counteract differences in participants' backgrounds and/or experiences by dividing them into sub-groups for pertinent activities or site visits; schedule site visits and interactive activities that clearly reinforce classroom training;
- Allow ample time at the end of sessions with guest speakers and during meetings with professional peers for substantive question and answer periods and discussions to allow participants to share ideas; present different view points via guest speakers and/or a diverse corps of instructors, who are familiar with the participants' culture and mores and who exhibit genuine interest in the complicated transitions their countries are currently undergoing;
- Develop jointly a clear Action Plan to set the framework for what the participant will do upon return to the workplace;
- Work with people from remote areas to identify ways that they can continue to interact and have access to up-to-date information, e.g. establishment of internet listservs and libraries.



Founded in 1961, AED is an independent, nonprofit organization committed to solving critical social problems in the U.S. and throughout the world through education, social marketing, research, training, policy analysis and innovative program design. Major areas of focus include health, education, youth development, and the environment.

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AED's training activities in Eurasia have been developed and managed by staff in the Center for International Training. The success of these programs would not have been possible without the dedication and commitment of AED's home office and local field staff or the contributions of AED's implementing partners who provided training and technical services. A special note of thanks is also due the American Councils of International Education for its work with us on these worthwhile efforts.

For further information on AED's training programs, please contact Mark P. Ketcham, Vice President and Director, Center for International Training, or Bonnie J. Barhyte, Senior Vice President, Leadership and Institutional Development.

Photographs from AED file photos.

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